

# Inflation increases to 5.4% in January 2020

Sri Lanka's inflation, as measured by the change in the Colombo Consumers' Price Index (CCPI), increased to 5.4% in January 2020 from 4.8 in December 2019, the Central Bank of Sri Lanka reported.

This was driven by monthly increase of prices of items in both food and non-food categories.

Food inflation (Y-o-Y) increased substantially to a 25-month high of 11.7% in January 2020 from 6.35 in December 2019, while Nonfood inflation (Y-o-Y) stood at 2.9 per cent.

The change in the CCPI measured on an annual average basis increased marginally to 4.4 per cent in January 2020 from 4.3 per cent in December 2019.

Monthly change of CCPI recorded at 1.4 per cent in January 2020 and it was due to the price increases observed in the items of both Food and Non-food categories.

Within the Food category, prices of vegetables increased significantly due to supply shortages caused by adverse weather conditions prevailed during the previous month.